

**BASS, BERRY & SIMS, P.L.L.C.**  
A PROFESSIONAL LIMITED LIABILITY COMPANY  
ATTORNEYS AT LAW  
REGULATORY AUTH.

T. G. PAPPAS  
TEL: (615) 742-6242  
FAX: (615) 742-6293

2700 FIRST AMERICAN CENTER  
NASHVILLE, TENNESSEE 37208-7000  
(615) 742-6200

KNOXVILLE OFFICE:  
1700 RIVERVIEW TOWER  
KNOXVILLE, TN 37901-1509  
(423) 521-6200

99 MAY 18 PM 2 56

OFFICE OF THE  
May 18, 1999 EXECUTIVE SECRETARY

Mr. K. David Waddell  
Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

99-00290

**IN RE: Highland Telephone Cooperative, Inc.**  
**IntraLATA Dialing Parity Implementation Plan**

Dear Mr. Waddell:

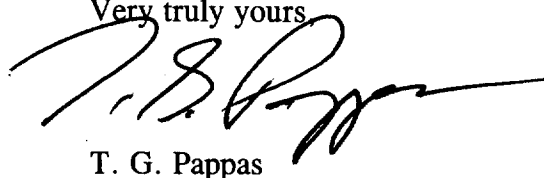
The TRA staff has requested certain additional information from our client Highland Telephone Cooperative, Inc. in connection with a review that the staff is conducting of our client's IntraLATA Toll Dialing Parity Implementation Plan (the "Plan") dated April 21, 1999.

Enclosed please find an original and thirteen copies of:

1. Addendum to the Plan dated May 17, 1999.
2. Revised Exhibit B to the Plan, also revised as of May 17, 1999, to be substituted for Exhibit B to the Plan filed April 22, 1999.

With kindest regards, I remain

Very truly yours,



T. G. Pappas

TGP/br#2023234

Enclosures

cc: Mr. Carsie Mundy  
Richard Collier, Esq.  
James H. Hamby  
Thomas J. Moorman, Esq.

**Addendum to April 22, 1999**  
**IntraLATA Toll Dialing Parity Implementation Plan**  
**Highland Telephone Cooperative, Inc.**

**1. List of Exchanges**

As indicated in the Company's IntraLATA Toll Dialing Parity Implementation Plan, (the "Plan"), the Company will provide intraLATA toll dialing parity in all of its Tennessee exchanges. Those exchanges, all of which are located in the "423" area code, are:

<u>Exchange</u>	<u>NXX</u>	<u>Exchange</u>	<u>NXX</u>
Deer Lodge	965	Petros	324
Huntsville	663	Robbins	627
Oakdale	369	Sunbright	628
Oneida	569	Wartburg	346

**2. Customer Education/Notification**

Consistent with its proposed implementation date of thirty days after Tennessee Regulatory Authority ("TRA") approval of the Plan, the Company will issue a press release announcing the opportunity for customers to choose a primary intraLATA carrier and explain the 90 day waiver period for a period of 90 days beginning with the date that the Plan is implemented. The Company will also notify all existing customers via a direct mailing as soon as possible after receipt of the Plan's approval by the TRA, and will insert a bill message regarding this new service option within the next billing cycle after receipt of such approval. As an example, Exhibit A to the Plan provided the text of such announcements, assuming approval was received on or by the Company on or around July 1, 1999. Accordingly, these messages will be revised based on the date that the TRA approves the Company's Plan.

**3. Compliance with the Tennessee Regulatory Authority Anti-Slamming Rules**

The Company shall comply with rules established by the TRA applicable to the Local Exchange Carriers ("LECs") with respect to changes in a customer's preferred carrier as contained in TRA Rule 1220-4-2-.56 "Verification of Orders for Changes by Local and Long Distance Telecommunications Carriers." In addition, the Company will institute policies and practices consistent with the obligations set forth in TRA Rules 1220-4-2-.56 which require other Local Exchange Carriers to file tariffs regarding preferred carrier freezes.

#### **4. Establishment of Cost Recovery Rate Element**

The Company provides an amended Exhibit B to reflect a revised calculation of the Company's initial equal access rate element. This revision is due to an inadvertent use of total intrastate/intraLATA minutes rather than limiting the calculation only to originating intrastate intraLATA minutes of use as reflected in the Plan itself.

#### **5. Existing Customers' Selection of IntraLATA Toll Providers**

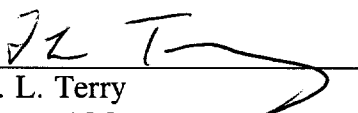
The Company hereby clarifies Section IV of its Plan that, subject to the approval of the TRA, the Company's preference is to have an existing customer continue to use the current intraLATA 1+ toll provider until such time as that customer makes an affirmative choice to select another provider.

#### **6. Clarification of County-Wide Calling**

The Company clarifies Section II of its Plan with respect to its reference to the continuation of county-wide calling after the implementation of the Plan. Accordingly, the Company amends the last sentence of Section II to state:

"Highland Telephone will continue to process toll-free intraLATA county-wide calls in this manner for toll customers after implementation of intraLATA toll dialing."

Executed this 17<sup>th</sup> day of May, 1999

  
F. L. Terry  
General Manager  
7810 Morgan County Hwy  
P.O. Box 119  
Sunbright, TN 37872  
Phone: (423) 628-2121

## Exhibit B

### TENNESSEE METHODOLOGY FOR RECOVERY OF COSTS ASSOCIATED WITH IMPLEMENTATION OF INTRALATA SUBSCRIPTION

#### CALCULATION OF INITIAL EQUAL ACCESS RATE ELEMENT

Step 1: Identify the estimated total incremental costs directly attributable to the provisioning of IntraLATA Subscription.

\$ 29,507.00

Step 2: Identify estimated total Originating Intrastate/IntraLATA minutes of use for the 4 year recovery period.

73,418,816

Step 3: Calculate a cost recovery rate by dividing amount in Step 1 by the Minutes of Use in Step 2.

\$0.00040

#### ANNUAL TRUE-UP OF EQUAL ACCESS RATE ELEMENT

Repeat Steps 1 through 3 and calculate an updated access rate element by dividing amount in Step 1, adjusted by the previous year/years cost recovery.

(Revised May 17, 1999)